

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Representative Dawson**

A Bill

HOUSE BILL

For An Act To Be Entitled

8 "AN ACT TO ESTABLISH AN UPSET PAYROLL FACTOR TO BE USED IN
9 ESTABLISHING PREMIUMS FOR WORKERS COMPENSATION INSURANCE
10 AND GENERAL LIABILITY INSURANCE FOR SUBCONTRACTORS WHO CUT
11 AND HAUL TIMBER; AND FOR OTHER PURPOSES."

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13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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15 SECTION 1. In determining insurance premiums for workers compensation
16 insurance and general liability insurance to cover subcontractors who cut and
17 haul timber, Internal Revenue Service Form 1099 and its successor forms shall
18 not be considered payroll records, but the premiums shall, until revised by
19 the Insurance Commissioner, be determined based upon the following upset
20 payroll schedule:

21 (1) Shortwood-pulpwood production will use an upset payroll of one
22 dollar and thirty-six cents (\$1.36) per ton, and

23 (2) Tree length production of pulpwood and/or saw logs will use an
24 upset payroll of sixty-seven cents (\$.67) per ton.

25 The Insurance Commissioner shall, beginning January 1, 1992 and on
26 January 1 of each year thereafter, establish the upset payroll schedule and
27 shall not increase the schedule by more than ten percent (10%) during any one
28 (1) year.

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30 SECTION 2. All provisions of this Act of a general and permanent nature
31 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
32 Revision Commission shall incorporate the same in the Code.

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34 SECTION 3. If any provision of this Act or the application thereof to
35 any person or circumstance is held invalid, such invalidity shall not affect

1 other provisions or applications of the Act which can be given effect without
2 the invalid provision or application, and to this end the provisions of this
3 Act are declared to be severable.

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5 SECTION 4. All laws and parts of laws in conflict with this Act are
6 hereby repealed.

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8 SECTION 5. EMERGENCY. It is hereby found and determined by the General
9 Assembly that an upset payroll schedule is the most fair method of computing
10 premiums for workers compensation insurance and general liability insurance to
11 cover subcontractors who cut and haul timber; this Act establishes a
12 reasonable upset payroll schedule; and that this Act should go into effect
13 immediately in order to provide a more equitable method of computing those
14 premiums as soon as possible. Therefore, an emergency is hereby declared to
15 exist and this Act being immediately necessary for the preservation of the
16 public peace, health and safety shall be in full force and effect from and
17 after its passage and approval.

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